

results

1Q19



isa

CTEEP



São Paulo, April 29, 2019 – ISA CTEEP - Companhia de Transmissão de Energia Elétrica Paulista ("ISA CTEEP", "Company", B3: TRPL3 and TRPL4), announces its first quarter 2019 (1Q19) results. Regulatory Results are displayed as per the Electric Sector Accounting Manual (MCSE) with the purpose of assisting the understanding of the Company's business. Additionally, the information has been prepared in accordance with Brazilian Securities and Exchange Commission (CVM) standards and the applicable Accounting Statements Committee (CPCS) announcements and in accordance with international accounting standards (IFRS) issued by the International Accounting Standard Board (IASB) in the "Attachments" section of this document.

Main Regulatory Indicators (BRL million)	Consolidated		
	1Q19	1Q18	Chg (%)
Net Revenue	694.2	732.3	-5.2%
Adjusted EBITDA ¹	614.8	683.9	-10.1%
<i>Adjusted EBITDA Margin</i>	<i>80.7%</i>	<i>84.4%</i>	<i>-3.7 b.p.</i>
Net Income	234.1	305.3	-23.3%
<i>Net Margin</i>	<i>33.7%</i>	<i>41.7%</i>	<i>-8.0 b.p.</i>
ROE (amount value of LTM)	17.8%	11.0%	6.8 b.p.

¹ Excludes equity income and other non recurring effects and includes the EBITDA (proportional to its participation in affiliates) with the objective of presenting a more adequate vision of the Company's operational cash generation.

1Q19 Conference Call

04.30.2019

10:00 a.m. (BRT) / 9:00 a.m. (EDT)

Connection Data:

Brazil: +55 11 3193-1001 / +55 11 2820-4001

Other Countries: +1 646 828-8246 / +1 646 291-8936

Password: ISA CTEEP

Link for webcast available on Investor Relations website:
www.isactEEP.com.br/ir

Investor Relations Contact Information

Reynaldo Passanezi
Michelle Lourenço Corda
Lúcia de Luiz Cesari
Gabriela Rigo Bussotti
Yuri de Souza Utino

Phone number:
+55 11 3138-7557

E-mail:
ri@isactEEP.com.br



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* Results in Excel spreadsheet available on the Investor Relations Website



ISA CTEEP

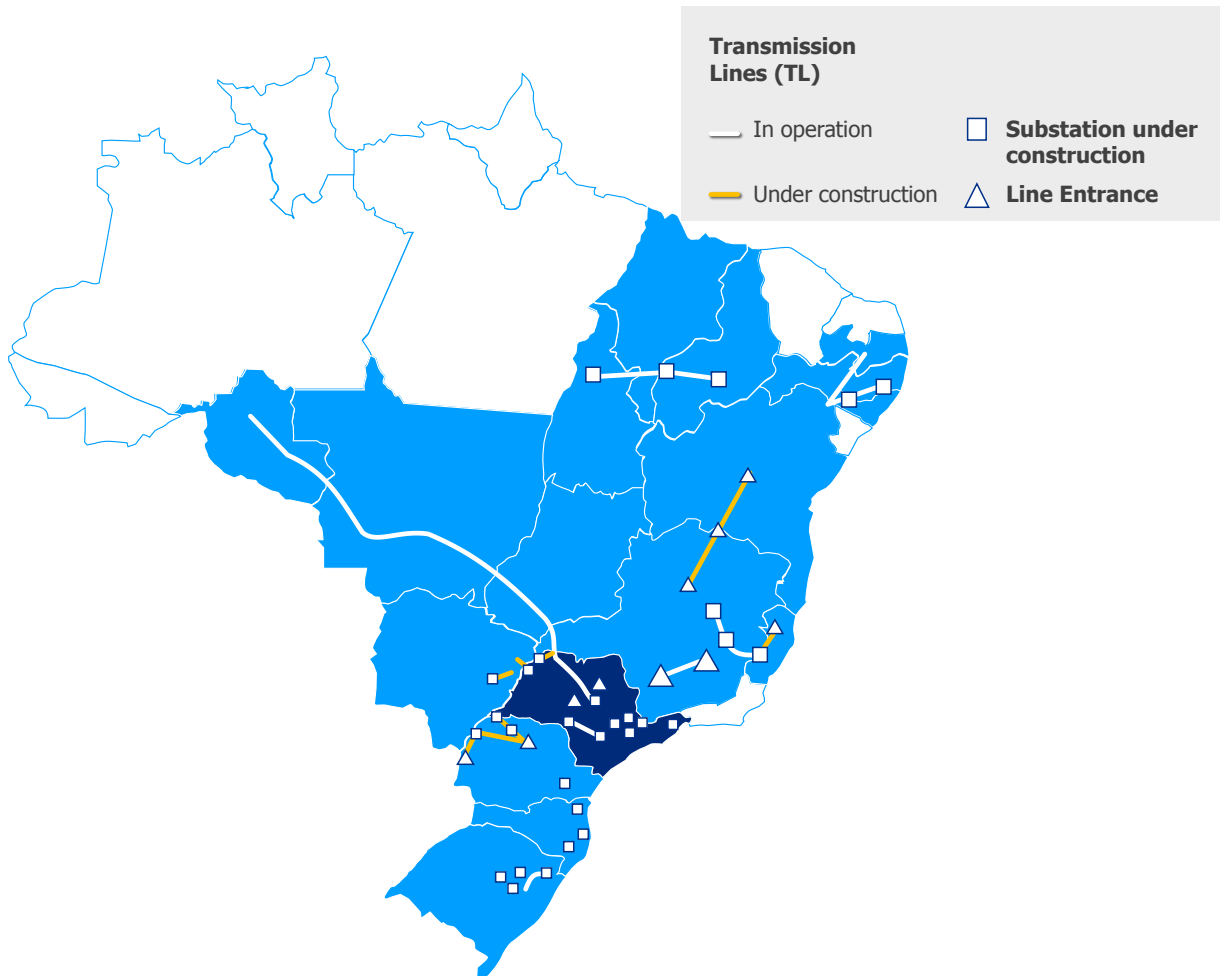
ISA CTEEP is the largest private-sector electricity transmission company in the Brazilian electricity sector and part of the Interconnected National System ("SIN"), which comprises the entire Brazilian electricity grid (with the exception of certain isolated systems), serving approximately 99% of the system's total load. Its activities and those of its wholly and jointly owned subsidiaries, present in 17 Brazilian states, transmit approximately 25% of all the electricity in Brazil, 60% of the energy consumed in the Southeast region, and almost 100% of the energy in the state of São Paulo.

The coordination and control over the operations of the Company's installations, and all the electricity generation and transmission infrastructure of the SIN, is the responsibility of the National Electric Energy System Operator ("ONS"), subject to the inspection and regulation of the National Electric Energy Agency ("ANEEL").

On March 31, 2019, the installed transformation capacity of the Company (controller, controlled and affiliates) was 65.9 thousand MVA, 18.6 thousand kilometers of transmission lines, 25.8 thousand kilometers of circuits and 126 substations of up to 550 kV.

To efficiently operate our complex transmission system, we rely on a team of more than 1,400 employees and facilities that provide qualitative and reliable services.

Committed to the development of the Brazilian electric energy infrastructure, we make continued investments to keep our network up to date, directly contributing to the national transmission system's expansion. In the last three years, the Company bid successfully for ten lots in ANEEL transmission actions. These will add 2,000 kilometers to the length of its transmission lines, and 8,000 MVA to its portfolio.





Ownership Structure

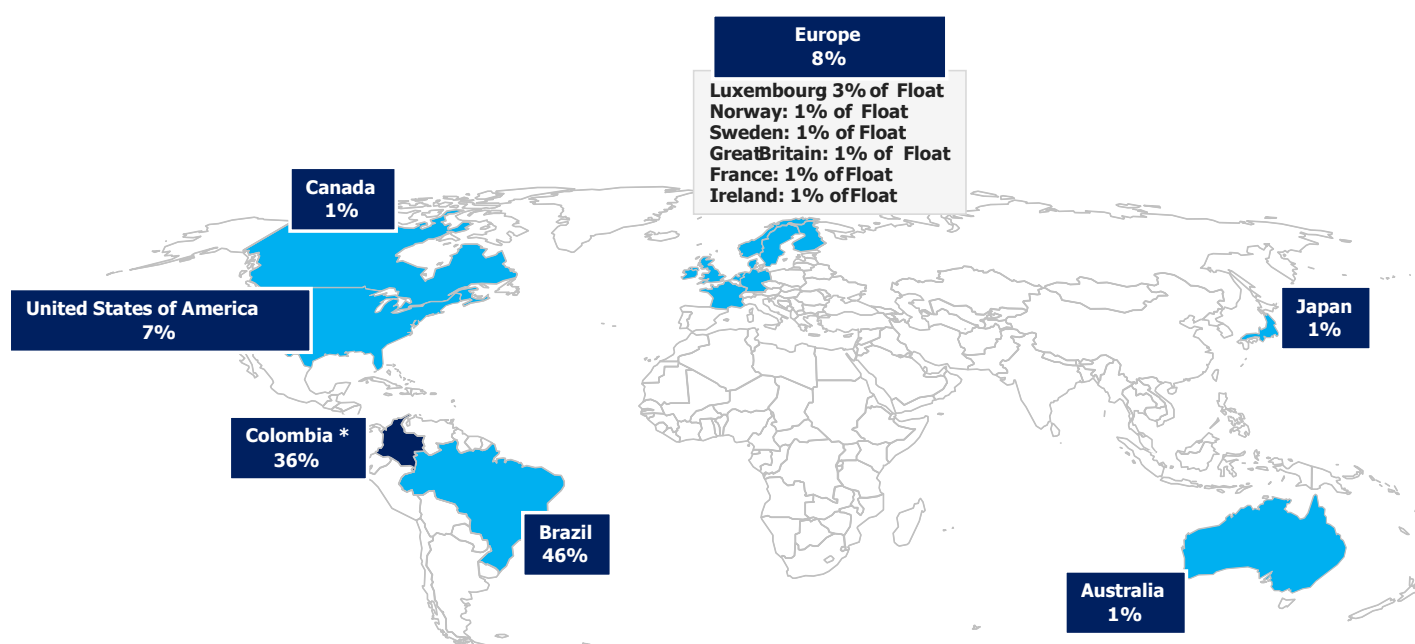
The Extraordinary General Meeting held on April 4, 2019, approved the proposal to split all of the Company's shares at a ratio of 1 common share to 4 common shares and 1 preferred share to 4 preferred shares. The stock split did not imply a change to the Company's equity capital, which remains at BRL 3.6 billion.

	Pre-Split	Post-Split
Common Shares	64,484,433	257,937,732
Preferred Shares	100,236,393	400,945,572
Total Shares	164,720,826	658,883,304
Equity Capital (BRL)	3,590,020,427	3,590,020,427

ISA CTEEP is controlled by ISA, a multi-Latin linear infrastructure systems company. Its investors include Eletrobras, the largest Brazilian electric energy conglomerate. The post-split breakdown of shares is as follows.

Shareholders	TRPL3	%	TRPL4	%	Total	%
ISA Capital do Brasil	230,856,832	89.50%	5,144,528	1.28%	236,001,360	35.82%
Free Float	27,080,900	10.50%	395,801,044	98.72%	422,881,944	64.18%
Eletrobras	25,158,644	9.75%	208,023,032	51.88%	233,181,676	35.39%
Others	1,922,256	0.75%	187,778,012	46.83%	189,700,268	28.79%
Total	257,937,732	100%	400,945,572	100%	658,883,304	100%

Distribution of Total Capital on 03/31/2019



* Considers the stake of Isa Capital do Brasil, an investment vehicle of ISA Colombia for the acquisition of ISA CTEEP.



Corporate Structure

ISA CTEEP's corporate structure includes its wholly and jointly owned subsidiaries as shown below:

		Location	RAP Cycle 2018/2019 (BRL million)	RAP ISA CTEEP Cycle 2018/2019 (BRL million)	Profit Regime ¹	Share (%)	Consolidation
ISA CTEEP	Operational	São Paulo	2,421	2,421	Real Profit	ISA CTEEP 100%	Fully consolidated
IE Madeira ²	Operational	Rondônia / SP	497	253	Real Profit	ISA CTEEP 51% / Furnas 24,5% / Chesf 24,5%	Equity method
IE Ivai	Under construction	Paraná	267	134	Real Profit	ISA CTEEP 50% / TAESA 50%	Equity method
IE Paraguçu	Under construction	Bahia / MG	107	54	Real Profit	ISA CTEEP 50% / TAESA 50%	Equity method
IE Garanhuns	Operational	Pernambuco	87	44	Real Profit	ISA CTEEP 51% / Chesf 49%	Equity method
IE Aimorés	Under construction	Minas Gerais	71	36	Real Profit	ISA CTEEP 50% / TAESA 50%	Equity method
IE Pinheiros	Operational	São Paulo	54	54	Presumed Profit	ISA CTEEP 100%	Fully consolidated
IE Serra do Japi	Operational	São Paulo	60	60	Presumed Profit	ISA CTEEP 100%	Fully consolidated
IE Aguapeí	Under construction	São Paulo	54	54	Presumed Profit	ISA CTEEP 100%	Fully consolidated
IE Itaúnas	Under construction	Espírito Santo	47	47	Presumed Profit	ISA CTEEP 100%	Fully consolidated
IE Itaquerê	Under construction	São Paulo	46	46	Presumed Profit	ISA CTEEP 100%	Fully consolidated
IE NNE	Operational	Tocantins	44	44	Presumed Profit	ISA CTEEP 100%	Fully consolidated
IE Biguçu	Under construction	Santa Catarina	38	38	Presumed Profit	ISA CTEEP 100%	Fully consolidated
IE Tibagi	Under construction	SP / Paraná	18	18	Presumed Profit	ISA CTEEP 100%	Fully consolidated
IE Sul ³	Operational	Rio Grande do Sul	18	18	Real Profit	ISA CTEEP 100%	Fully consolidated
IE MG	Operational	Minas Gerais	18	18	Presumed Profit	ISA CTEEP 100%	Fully consolidated
IE Evrecy	Operational	Espírito Santo	7	7	Presumed Profit	ISA CTEEP 100%	Fully consolidated
IE Itapura - Bauru	Under construction	São Paulo	11	11	Presumed Profit	ISA CTEEP 100%	Fully consolidated
IE Itapura - Lorena	Under construction	São Paulo	10	10	Presumed Profit	ISA CTEEP 100%	Fully consolidated
Total			3,875	3,367			

¹ Assumed income: For Income tax purposes, assumed income of 8% of operational revenue is calculated, with a 25% income tax rate on the assumed amount. For CSSL, calculate an assumed 12% on operational revenue, with 9% CSSL retained on assumed income. Effective income: 34% income tax rate IR + CSSL on effective taxable income

² Restrictive pending issues under Contract 015/2009 have led to the application of a 10% reduction factor to the RAP associated with the contract (approximately 5% of total RAP)

³ Fully consolidated as of September de 2018

Growth

ISA CTEEP constantly assesses market opportunities for growth and has been making progress in this sense. The Company's strategy is to expand its presence throughout Brazil by means of auctions and/or acquisitions that are synergetic with existing operations, while keeping its minimum required return in mind.

In the last three years, the Company has bid successfully for ten lots in ANEEL's transmission auctions, which will add a further 2 thousand kilometer extension to its transmission lines, adding 8 thousand MVA in power to its portfolio. The new projects amount to an estimated investment of BRL 2.9 billion, with an increase in RAP of approximately BRL 448 million, once the assets are operational.

Project evolution is in line with the challenging estimated budget and schedule, which considers a reduction in CapEx and the anticipation of entry into operations ahead of ANEEL's estimated schedule. Until March 31,2019, approximately BRL 346 million were invested in 10 new projects.



Auctions	Subsidiaries	% ISA CTEEP	Location	ANEEL CAPEX ISA CTEEP Participation (BRL MM)	Discount	RAP ISA CTEEP (BRL MM)	Contract signature	Implementation Deadline ANEEL	Necessity Date ¹	Environmental License (LI)	Initiation of Construction
Auction 013/2015 10/28/2016	IE Paraguaçu (Lot 3)	50%	Bahia Minas Gerais	255	0.0%	54	Feb/17	Feb/22	Jan/19 ²	1Q19	-
	IE Aimorés (Lot 4)	50%	Minas Gerais	171	0.0%	36	Feb/17	Feb/22	Jan/19 ²	1Q19	-
	IE Itaúnas (Lot 21)	100%	Espírito Santo	298	25.1%	47	Feb/17	Feb/22	Jul/18	✓	3Q18 ³
Auction 05/2016 04/24/2017	IE Ivaí (Lot 1)	50%	Paraná	968	33.2%	134	Aug/17	Aug/22	Feb/21 ⁴	✓ ⁵	-
	IE Tibagi (Lot 5)	100%	São Paulo Paraná	135	32.2%	18	Aug/17	Aug/21	Jan/17	✓	3Q18
	IE Itaquerê (Lot 6)	100%	São Paulo	398	44.5%	46	Aug/17	Aug/21	Jun/18	✓	3Q18
	IE Aguapeí (Lot 29)	100%	São Paulo	602	52.7%	54	Aug/17	Aug/21	Dec/18	1Q19	-
	IE Itapura (Lot 25)	100%	São Paulo (Bauru)	126	57.6%	11	Aug/17	Feb/21	Jan/20	✓	2Q18
Auction 02/2018 06/29/2018	IE Itapura (Lot 10)	100%	São Paulo (Lorena)	238	73.9%	10	Sep/18	Sep/22	Sep/21	2Q19	-
	IE Biguaçu (Lot 1)	100%	Santa Catarina	641	66.7%	38	Sep/18	Sep/23	Sep/21	1Q20	-
Total				3,831		448					

¹ According to concession contract

² Conditioned to Lot 2 (Alupar)

³ IE Itaúnas is formed of the implantation of transmission line 345 kV Viana 2 (ES) - João Neiva 2 (ES), the construction of new substation 345/138 kV João Neiva 2, and the expansion of substation 345 kV Viana. The Company began its construction work of substation Viana. The installment license for the Transmission Line and the João Neiva 2 Substation has not yet been issued.

⁴ To receive the totality of RAP

⁵ IE Ivaí obtained an installment license for the Sarandi Substation of 525/230 kV in April of 2019. Installment licenses are pending for the project's transmission lines and other substations.

IE Paraguaçu

The project is located in the states of Bahia and Minas Gerais and formed by the implementation of a 500 kV (338 km) transmission line which will link the Poções III and Padre Paraíso 2 substations, constituting a second circuit between these substations. In October 2018, the transmission company obtained a Preliminary Environmental License (LP) for the operation, issued by the Brazilian Institute of the Environment and Natural Resources ("IBAMA").

IE Aimorés

The project is located in the state of Minas Gerais and formed by the implementation of a 500 kV transmission line (208 km) which will link the Padre Paraíso 2 and Governador Valadares 6 substations, constituting the second circuit between these substations. In October 2018, the transmission company obtained a Preliminary Environmental License (LP) for the operation, issued by IBAMA. In April 2019, the subsidiary was granted IBAMA's Installation License.

IE Itaúnas

The project is located in the state of Espírito Santo and formed by the installation of a 345 kV transmission line (79 km) which will link the 345 kV Viana 2 and João Neiva 2 substations, the construction of the new 345/138 kV João Neiva 2 substation, and the expansion of the 345 kV Viana 2 substation. The subsidiary began construction work on the Viana 2 substation in 3Q18, although the installation licenses for the Transmission Line and the João Neiva 2 Substation have not yet been issued.



IE Ivaí

The project is located in the state of Paraná and formed by the installation of approximately 600 km of double circuit transmission lines, including 515 km of the 525 kV Foz do Iguazu - Guaíra, Guaíra – Sarandi, Londrina – Sarandi and Sarandi – Londrina Transmission Lines (TLs), and 85 km of the 230 kV Sarandi – Paranavaí Norte TL; as well as 3 substations (Guaíra 525/230 kV – 1,344 MVA of installed capacity, Sarandi 525/230 kV – 1,344 MVA of installed capacity and Paranavaí Norte 230/138 kV – 300 MVA of installed capacity).

In September 2018, the subsidiary received a Preliminary License issued by the Paraná Environmental Protection Agency (“IAP”) with respect to the 230 kV installation, incorporating the 230 kV Sarandi - Paranavaí Norte TL, the Paranavaí Norte 230/138 kV substation and the Sarandi 525/230 kV substation.

In April 2019, the subsidiary was granted a Preliminary License for the 525 kV Foz do Iguazu – Guaíra, a LT 525 kV Guaíra – Sarandi TL, the 525 kV Sarandi – Londrina TL, the Guaíra 525/230 kV Substation, the Foz do Iguazu 525 kV Substation (currently Furnas) and the Londrina 525 kV SS (currently Eletrosul), to be implemented in the State of Paraná. IE Ivaí was also granted Installation License for the Sarandi 525/230 kV Substation, also to be implemented in Paraná.

IE Tibagi

The project is located in the states of São Paulo and Paraná and formed by the installation of a transmission line (18 km) of 230 kV Nova Porto Primavera (SP) – Rosana (PR) and the 230/138 kV Rosana substation, which will link up to the Nova Porto Primavera substation. The subsidiary received an Installation License from the IBAMA and began work in 3Q18.

IE Itaquê

The project is located in the state of São Paulo and formed by the installation of three 500 kV (-180/+300) MVAR synchronous compensators in the Araraquara 2 substation (already in existence and operated by State Grid). The installation of this equipment in the substation ensures benefits to the SIN as a whole and, more specifically, voltage control for the 440 and 500 kV systems in the state of São Paulo. The subsidiary began work in 3Q18.

IE Aguapeí

The project is located in the state of São Paulo and formed by the installation of the Baguaçu and Alta Paulista 1,400 MVA capacity substations, 107 km of 440 kV transmission line from the Alta Paulista substation to the section circuit breaker of the Marechal Rondon – Taquaruçu transmission line, and the stretch of 440 kV transmission line from the Baguaçu substation to the section circuit breaker of the Ilha Solteira – Bauru transmission line.

IE Itapura

The project is located in the state of São Paulo and formed by the installation of a 440 kV (-125/+250) MVAR static compensator in the Bauru substation (already existing). The installation of this equipment in the substation guarantees benefits for the SIN as a whole and, more specifically, voltage control in the 440 kV network of the state of São Paulo. Work began in 2Q18.

Lot 10 of the 02/2018 transmission auction was incorporated in this SPE. The project consists in the installation of a 440kV substation with a maximum capacity of 1,200 MVA in the city of Lorena, state of São Paulo.

IE Biguaçu

The project is located in the state of Santa Catarina and formed by the implementation of the 230/138 kV Ratoles substation with a capacity of 300 MVA, expansion of the Biguaçu substation (already existing), as well as the construction of a 57 km transmission line between the Biguaçu substation (existing and operated by Eletrosul) and the 230 kV Ratoles substation. This line includes overhead, seabed and underground stretches.



OPERATIONAL PERFORMANCE

We are among the industry's main benchmarks in terms of performance, and constantly and meticulously manage our operational indicators. Among these, of particular importance is the Index of Non-Supplied Energy ("IENS"), representing the ratio of total non supplied energy during all of the year's events to the total energy demanded that the Company did in fact supply. In 1Q19, IENS totaled 2.23×10^{-5} .

ISA CTEEP is remunerated according to the uptime of its assets through the RAP. This means that any downtime may incur a loss of RAP through a discount to verified revenue (Variable Parcel – PV). In 1Q19, the applicable PV was 1.46% of the consolidated RAP.

FINANCIAL PERFORMANCE (Regulatory Results)

Operating Revenue

In 1Q19, consolidated gross operating revenues were BRL 806.9 million, down 3.3% from 1Q18. This is mainly due to:

- (i) lower RBSE revenues in 1Q19, because of the seasonal nature of the payment for the first cycle of receipts (2017/2018) and the economic component's linearization for the 2018/2023 cycle; partly offset by:
- (ii) the change in IPCA, with a positive impact on O&M revenues;
- (iii) the entry into operation of reinforcement and improvement projects;
- (iv) an increase in anticipated revenues due to the system's surplus and its sharing as calculated by ONS;
- (v) an increase in CDE revenues, due to the higher number of free consumers in the Company's portfolio in the comparison of periods. It is worth emphasizing that this effect is neutralized when the amount is transferred to the Electric Energy Trading Board ("CCEE") through deductions.

Operational Revenue (BRL million)	Consolidated		
	1Q19	1Q18	Chg (%)
Revenue of Use of Electric Network	799.8	827.9	(3.4%)
Controller	741.9	786.3	(5.6%)
O&M Revenue	207.7	202.7	2.4%
Revenue of New Investments	84.2	71.4	17.9%
Anticipation and PV Revenues	19.8	(1.5)	(1419.4%)
RBSE	397.0	494.1	(19.7%)
CDE/PROINFA	33.3	19.6	70.5%
Wholly and Jointly Controlled Subsidiaries	57.9	41.6	39.2%
Others	7.0	6.7	4.3%
Gross Revenue	806.9	834.6	(3.3%)
Deductions	(112.7)	(102.3)	10.1%
Net Revenue	694.2	732.3	(5.2%)



The deductions from gross revenue concern taxes (PIS/COFINS) and regulatory charges (CDE, RGR, P&D, PROINFA and Inspection Fee). These were BRL 112.7 million in 1Q19 vs. BRL 102.3 million in 1Q18, due mainly to the higher CDE as explained above. Therefore, net consolidated operating revenues were BRL 694.2 million in 1Q19.

O&M Costs and Expenses

O&M Costs and Expenses (BRL million)	Consolidated		
	1Q19	1Q18	Chg (%)
Personnel	(83.1)	(77.7)	6.9%
Material	(3.2)	(3.0)	4.5%
Services	(27.0)	(27.4)	(1.4%)
Contingencies	(0.2)	(1.9)	(90.3%)
Others	(16.8)	(3.9)	334.0%
Sub Total	(130.2)	(113.9)	14.4%
Depreciation	(145.0)	(145.8)	(0.6%)
Total	(275.2)	(259.7)	6.0%

Costs and expenses ex-depreciation were up 14.4% in 1Q19 vs. 1Q18, due to lower (non-recurring) property tax (IPTU) expenses in 2018 (BRL 10.9 million) because of the negotiation of the tax rate enforced in 2007 and 2008 by the São José dos Campos City Hall. With the exclusion of this non-recurring item, the change in costs and expenses would have been 4.4%, in line with inflation for the period.

The increase in personnel expenditures reflects the impacts of the collective bargaining agreement effective as of June/18. The reduction in contingencies is due to the increase in dismissals concerning lawsuits as a result of prognosis changes and revised amounts involved.

Administrative expenses and O&M costs reached BRL 275.2 million in 1Q19, up 6.0% from 1Q18, with similar depreciation in the two periods. In 1Q19 RBSE depreciation¹ was BRL 116.6 million vs. BRL 125.0 million in 1Q18.

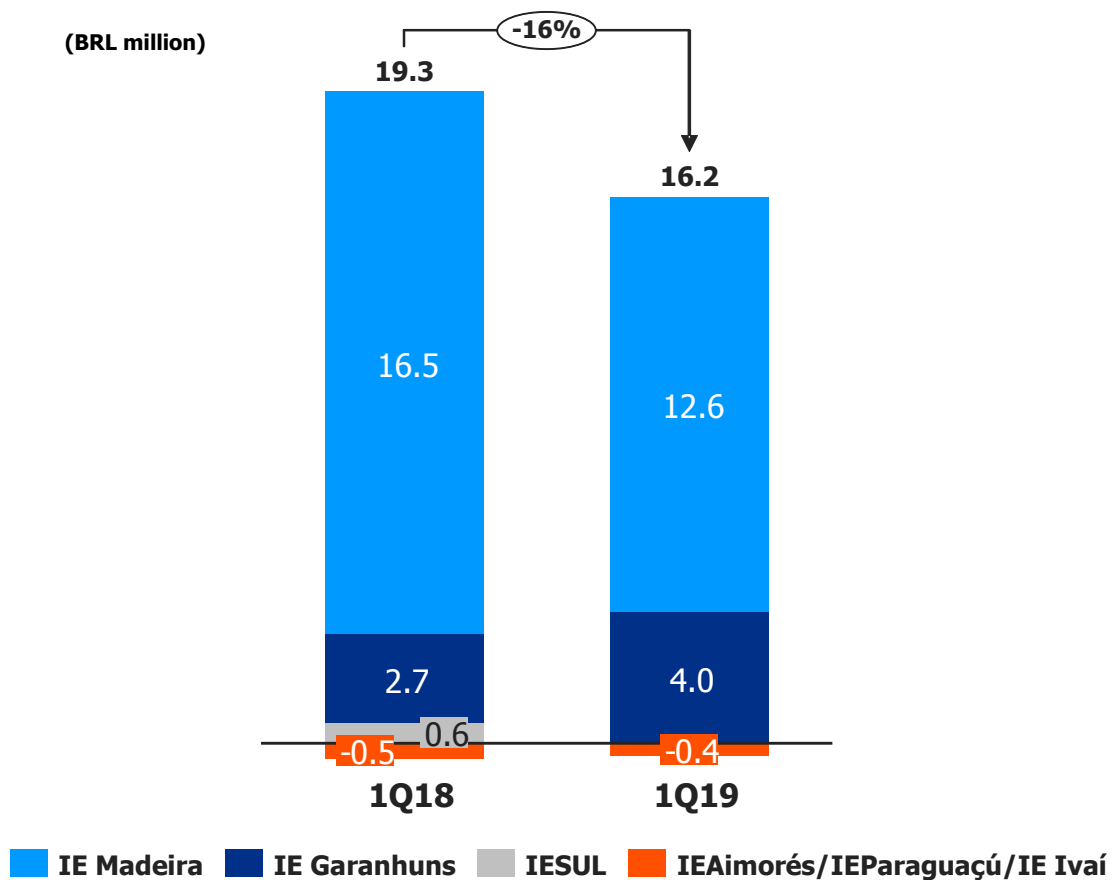
¹ Considering amortization in 96 installments (8 years) of the accumulated depreciation amount from January 2013 to June 2017



Equity Income

Equity income in 1Q19 was BRL 16.2 million in revenues, down BRL 3.1 million vs. 1Q18. This is mainly due to weaker results from IE Madeira (down BRL 3.9 million vs. 1Q18) because of the negative impact of the variable share.

IE Garanhuns's results were up BRL 1.3 million because of the positive impact of the RAP adjustment for the 2018/2019 cycle. IE Sul's results have been fully consolidated into the Company's since September 2018. As for the pre-operational subsidiaries (IE Aimorés, IE Paraguaçu and IE Ivaí), the result is due to administrative expenses at the current phase of project execution.





EBITDA and Margin

To reflect operating cash generation, the Company shows its Adjusted EBITDA, which was BRL 614.8 million in 1Q19, down 10.1% from 1Q18. This is mainly due to the lower RBSE revenues.

Adjusted EBITDA excludes equity income and other non-recurring and/or non-cash effects, and includes EBITDA proportional to our stake in affiliates, seeking to present a more appropriate view of the Company's operational cash generation.

EBITDA (BRL million)	Consolidated		
	1Q19	1Q18	Chg (%)
Net income (losses)	234.1	305.3	(23.3%)
Income and Social Contribution Taxes (tax over income)	137.1	156.2	(12.2%)
Net financial result	54.5	35.3	54.4%
Depreciation and amortization	145.6	146.4	(0.6%)
EBITDA ICVM 527/12	571.2	643.2	(11.2%)
Affiliates EBITDA (weighted by ISA CTEEP's share)	60.0	69.9	(14.2%)
Equity Income	(16.2)	(19.3)	(16.0%)
Non recurring costs and expenses ¹	(0.2)	(9.8)	(98.0%)
Adjusted EBITDA	614.8	683.9	(10.1%)
Adjusted EBITDA Margin	80.7%	84.4%	(3.7) b.p
RBSE	(344.5)	(448.4)	(23.2%)
Adjusted EBITDA Ex-RBSE	270.2	235.5	14.7%
Adjusted EBITDA Ex-RBSE Margin	64.8%	65.1%	(0.3) b.p

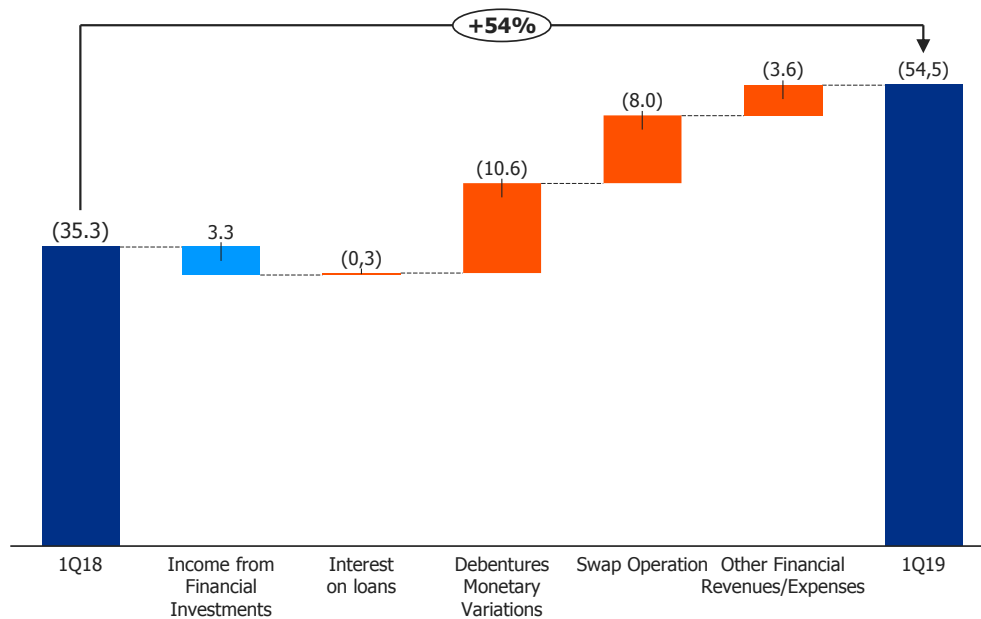
¹ Tax compensation (from "IPTU"), expenses with auctions and contingencies success fee



Financial Result

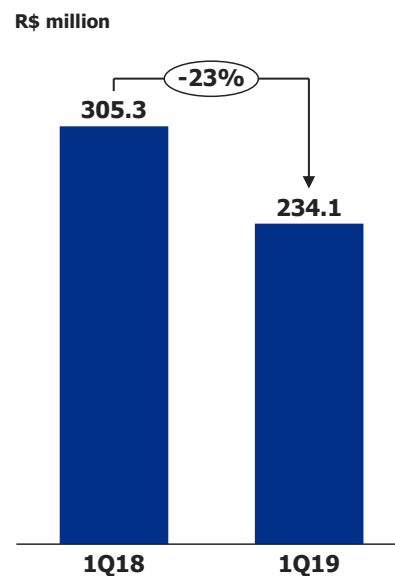
Consolidated financial results report expenses of BRL 54.5 million in 1Q19, up 54% from 1Q18. This is due to:

- (i) increase in expenses with monetary restatement of debentures because of the 7th issue of the Company's debentures in 2Q18;
- (ii) increase in expenses with swap operations because of new financing taken pursuant to Law 4,131 during fiscal year 2018;
- (iii) increase in the other financial expenses line because of the Tax on Financial Operations (IOF) on the disbursement of a debt with BNDES in the quarter; partly offset by:
- (iv) increase in financial investments return because of the period's higher cash level.



Net Income

Net income in 1Q19 was BRL 234.1 million, down BRL 71.2 million from 1Q18.





Compared Results (Regulatory vs. IFRS)

The Company and its controlled entities embraced the new Technical Announcements CPC No. 47 – Revenues from Contracts with Clients (IFRS 15) and CPC No. 48 – Financial Instruments (IFRS 9) as revised by the Accounting Announcements Committee (“CPC”), Brazilian Securities and Exchange Commission (“CVM”) and the International Accounting Standards Board (“IASB”), which entered into force on January 1, 2018.

Revenues from the services that the Company provides has been booked and measured in line with the foregoing announcements since January 1, 2018, and effects are not reproduced for the compared fiscal year of 2017.

Because of CPC No. 47, all of the concessions held by the Company and its controlled entities have been booked as assets under contract, where the flow of receipts (RAP) is compensated at a discount rate that covers the industry’s risks and premiums. It is set at the beginning of each project and restated at the IPCA/IGPM. For assets under construction, the infrastructure revenue set is sufficient to cover expenditures incurred and charges associated with project implementation. Any changes in project return are recognized in the operation-start results.

The RBSE financial asset, which was previously booked as a financial asset at amortized cost, is now measured at fair value with the application of CPC No. 48.

The principal variations between the consolidated result via IFRS and Regulatory standards are shown as follows:

Consolidated DRE (BRL million)	Regulatory	IFRS	Change
IFRS vs. Regulatory	1Q19	1Q19	
Gross Revenue	807	846	-39
O&M Revenue	283	283	0
CAAE Revenue (Annual Cost of Electric Assets)	120	0	120
Infrastructure Revenue	0	72	-72
Gains in efficiency from implementing infrastructure	0	92	-92
Concession Asset Revenue	0	129	-129
RBSE Revenue	397	264	133
Other Revenue	7	7	0
Deductions	-113	-114	1
Net Revenue	694	732	-38
Infrastructure Costs	0	-69	69
Costs of O&M and General Expenses	-130	-128	-2
Depreciation	-146	-5	-140
EBIT	418	530	-112
Equity Income	16	34	-18
Other Operational Revenues (expenses)	-9	0	-9
Result Before Financial Result and Taxes	426	564	-139
Financial Result	-54	-55	0
IR & CSLL	-137	-152	15
Net Income before Participation of Non Controlling Shareholder	234	357	-123
Participation of Non Controlling Shareholder	-4	-4	0
Consolidated Income/Losses	230	353	-123



Revenues: IFRS books investments made throughout the concession period as assets under contract. Regulatory accounting treats investments as fixed assets depreciated according to their useful life and books RAP as received over the duration of the concession period.

Costs: In IFRS, the costs of implementing infrastructure refer investments made and are neutralized by revenues from the implementation of infrastructure, which is calculated by adding the PIS and COFINS tax bills and other charges to the investment.

Depreciation: In IFRS, the concession asset is not considered a fixed asset but rather a financial asset or asset under contract. In IFRS, fixed assets relate largely to assets used by the Company and not linked to the concession agreement. For the purposes of the Regulatory Result, the concession asset is deemed a fixed asset with its respective depreciation.

Equity Income: The explanation for equity income is the same as for revenue, costs and depreciation as explained above.

Income Tax/Social Contribution: In IFRS, IT/SC are provisioned monthly on an accrual basis and calculated pursuant to Law 12,973/14. The Company adopts real earnings methodology with a monthly estimate. The effective consolidated rate for 1Q19 was 30% (IFRS) and 37% (regulatory). The variation between rates is mainly due to the booking of the contractual asset in IFRS.

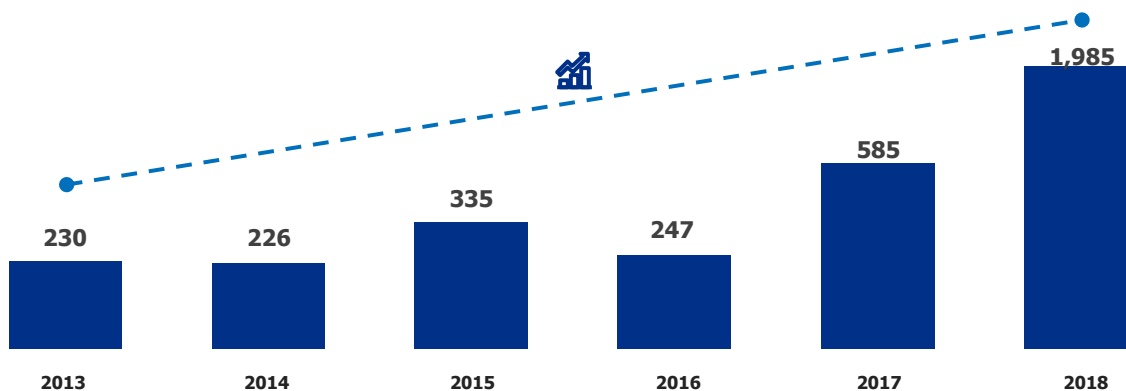
PROCEEDS

According to the Company's Corporate Bylaws, ISA CTEEP must pay a minimum dividend equal to the higher of either BRL 359 million or 25% of the fiscal year's net income. Additionally, extraordinary dividends may be paid out.

In June 2018, management announced a dividend payment policy to the market, proposing to pay out at least 75% of regulatory net income (a better proxy for cash generation), subject to approval by the Shareholders' Meeting and limited to a leverage ceiling of 3.0x Net Debt/EBITDA, with the possibility of payment of interim dividends as per the Corporate Bylaws.

As the graph below shows, in 2018 the Company paid out the highest proceeds on record, at BRL 1,985 million as interest on shareholders' equity and dividends, equivalent to a *dividend yield* of 17% and *payout* of 154%.

(BRL million)



Regulatory Payout

N.A.*

91%

123%

108%

95%

154%

* The Company registered loss due to the provision of losses related to Law 4,819/58



DEBT

On March 31, 2019, gross debt reached BRL 3,097.8 million, up BRL 82.9 million when compared to the balance on December 31, 2018, due mainly to a BRL 80 million disbursement from BNDES for the acquisition of machinery and equipment for reinforcement and improvement efforts, as well as for social investments not covered by environmental licenses and the projects' socio-environmental programs.

Because of CPC 06 (R2), according to which starting in January 2019 the Company must recognize, in connection with all contracts, future obligations with the exception of short-term and/or low-value contracts, BRL 20.5 million have been added to IFRS gross debt in connection with the Company's leases. Therefore, total IFRS debt was BRL 3,118.4 million. Regulatory accounting remained unchanged.

The increase in the Company's cash and cash equivalents position from the previous quarter is justified, mainly, by operational cash generation in the period. Therefore, net debt reached BRL 1,992.6 million at the end of March 2019 vs. BRL 2,317.3 million in December 2018. The Net Debt/Adjusted EBITDA ratio was 0.8x in March 2019.

Debt BRL (million)	03/31/2019	12/31/2018	Chg (%)
Gross Debt	3,097.8	3,015.0	2.7%
Short-term Debt	366.6	357.8	2.5%
Long-term Debt	2,731.2	2,657.2	2.8%
Consolidated Availabilities	1,105.3	697.6	58.4%
Availabilities of ISA CTEEP and Subsidiaries	822.5	466.8	76.2%
Availabilities of Partially Owned Subsidiaries*	282.7	230.9	22.5%
Consolidated Net Debt	1,992.6	2,317.3	-14.0%

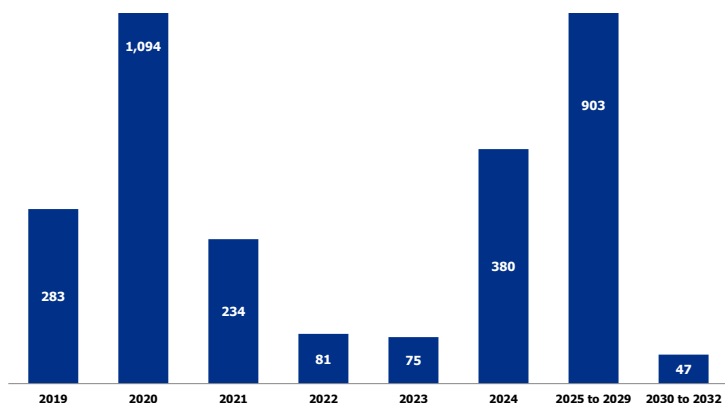
*The Company's resources are concentrated in exclusive investment funds, which are also used for the subsidiaries and partially owned subsidiaries in a segregated manner, and refer to quotes of the investment funds with high liquidity, convertible in cash, regardless of the expiration of the assets in which they are allocated.

The Company is compliant with the established covenants and requirements for all issues. For the years 2018, 2019 and 2020, the most restrictive Net Debt/EBITDA index is 3.0x. Greater details on financial indicators are available in Attachment V of this document.

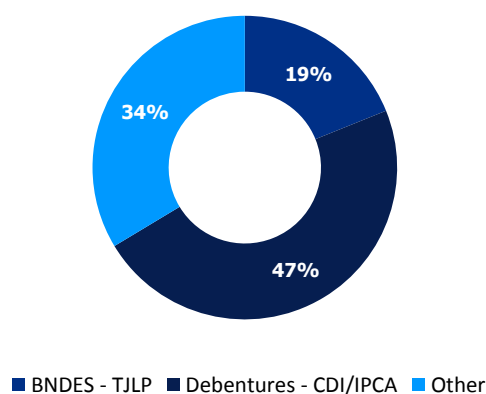
The average cost of consolidated debt was 8.2% p.a. on March 31, 2019 vs. 7.9% p.a. on December 31, 2018, because of the IPCA increase between periods. The IPCA is the Company's main debt indicator, as well as its main revenue index. The average maturity of the consolidated debt on March 31, 2019 was 3.1 years.



**Debt Amortization Schedule
(BRL million)**



**Debt Contracting and Indexation
03/31/2019**



INVESTMENTS

ISA CTEEP and its wholly and jointly owned subsidiaries invested BRL 96.4 million in 1Q19. Reinforcement and improvement investments are not comparable between periods because they use different project portfolios and depend on ANEEL Authorizing Resolutions.

Investments (BRL million)	1Q19	1Q18	Chg (%)
ISA CTEEP (Reinforcements/Improvements)	17.4	19.5	(10.5%)
Total Subsidiaries	78.9	77.8	1.5%
Operational	7.8	6.2	26.3%
Pre-operational	71.1	71.6	-0.7%
Total	96.4	97.3	-0.9%

Note: Realized investments are booked on accrual basis



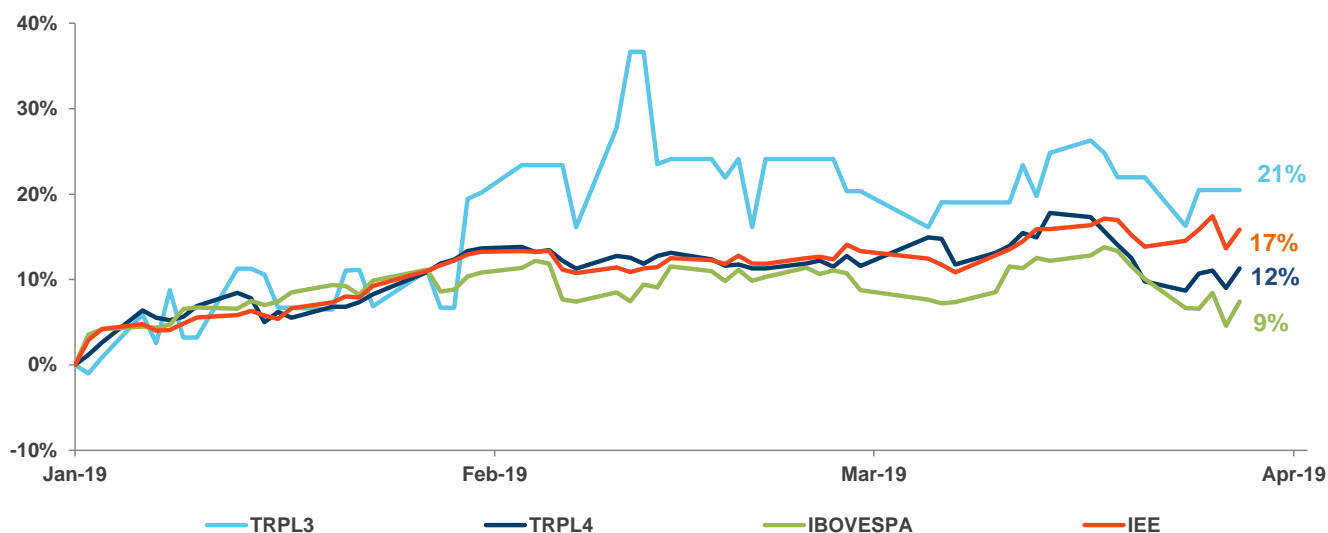
EQUITY MARKET

ISA CTEEP has common ("TRPL3") and preferred shares ("TRPL4") listed and traded on the São Paulo Stock Exchange ("B3") and has since 2002 been also listed on Level 1 of the Corporate Governance segment, recognizing the value it places on ethics and transparency in its relationship with shareholders and other stakeholders. The Company's shares are part of several stock indexes, including the Corporate Governance Index of companies with distinctive corporate governance standards, and the Brazil 100 stock index, comprising companies with the most traded equities on B3. Additionally, the Company has an American Depositary Receipts ("ADRs") program – Rule 144A in the United States under the tickers "CTPTY" (common share) and "CTPZY" (preferred share).

ISA CTEEP's common and preferred shares reached the end of 1Q19 traded at BRL 83.39 (BRL 20.85 post-split) and BRL 77.14 (BRL 19.29 post-split), respectively. The Company's market capitalization as of March 31, 2019, was BRL 13.1 billion.

In 2019, ISA CTEEP's preferred shares appreciated by 12%. Average daily trading volume on B3 for the period was BRL 31.6 million, up 62% from the same period in 2018 (BRL 19.5 million). Daily trades averaged 2.5 thousand, up 40% from the previous year's 1.8 thousand.

Performance (base 100)



EVENTS DURING THE PERIOD

Technical Note No. 203/2018 – ANEEL

On December 18, 2018, ANEEL issued Technical Note No. 203/2018 analyzing contributions made in connection with Public Hearing No. 31/2018 on the methodology for updating ANEEL's Benchmark Prices Bank applicable to the authorization, bidding and review of permitted annual revenues of electric energy transmission concession holders.

The results of Public Hearing No. 31/2018 were approved at a Meeting of the Executive Board of ANEEL held on February 19, 2019. Endorsement Resolution 2,514/2019 was published and April 09, 2019 was named the deadline for submitting incremental base appraisal reports.

After analyzing the administrative appeals filed by concession holders against Endorsement Resolution 2,514/2019, the Executive Board of ANEEL issued finding No. 1140/2019 to extend the deadline for Appraisal Reports submission to July/19.

Technical Note No. 37/2019 – ANEEL

On March 14, 2019, ANEEL opened Public Hearing No. 09/2009 and released Technical Note No. 37/2019 on the restatement methodology for the Regulatory Capital Compensation Rate ("WACC"). The document proposes 7.32% WACC retroactive to 2018, and 7.11% for 2019. Contributions to the Public Hearing were submitted on April 22, 2019.



Executive Board Change

On March 19, 2019, Rinaldo Pecchio Junior, who had until then been Chief Financial and Investor Relations Officer of ISA CTEEP, left the Company to engage in new professional challenges. CEO Reynaldo Passanezi Filho is filling the position pro-tem.

SUBSEQUENT EVENTS

Stock Split

On April 4, 2019, the Extraordinary General Meeting approved the proposed split of the entirety of the company's shares at a ratio of 1 common share to 4 common shares and 1 preferred share to 4 preferred shares, as explained in the "Shareholder Composition" section.

Preliminary License and Installation License granted for IE Ivaí

On April 11, 2019, IE Ivaí, a joint subsidiary held in equal shares by ISA CTEEP and Taesa and formed since the transmission auction won in April 2017, secured its preliminary and installation licenses, as explained in the "Growth" section.

Installation License granted for IE Aimorés

On April 24, 2019, IE Aimorés, a joint subsidiary held in equal shares by ISA CTEEP and Taesa and formed since the transmission auction won in October 2016, secured its installation license, as explained in the "Growth" section.

OTHER RELEVANT INFORMATION

Concession Renewal - Contract 059/2001 (RBNI/RBSE)

On September 12, 2012, Provisional Measure 579/2012 ("PM 579") was published regulating the extension of the concession agreements for generation, transmission and distribution of electric energy. According to the provisional measure, expired concessions or concessions due to expire within 60 months from PM publication date had the option to anticipate their dates of maturity to December 2012, subsequently extending the respective agreements for up to 30 years.

On November 01, 2012, the Ministry of Mines and Energy (MME) published Interministerial Ordinance 580 in which the compensation amounts were established based on installations energized from June 01, 2000 and known as the Basic Network's New Installations ("RBNI"). The amount established for ISA CTEEP was BRL 2.9 billion. On the same date, the MME published Interministerial Ordinance 579, setting the RAP amount for ISA CTEEP at BRL 515.6 million beginning on January 01, 2013, which translates as a RAP reduction of approximately 75%.

Provisional Measure 591 was published on November 29, 2012, authorizing the Concession Authority to pay the amount for undepreciated assets existing prior to May 31, 2000, known as the Basic Network's Electrical System ("RBSE").

In December 2012, ISA CTEEP held an Extraordinary General Meeting to decide on the anticipation of the expiry date of Concession Agreement 059/2001 as proposed in PM 579. The Company's shareholders unanimously approved extending the agreement pursuant to the terms of Law 12,783/2013. The concession was thus extended to December 2042, guaranteeing the Company's right to receive amounts relative to RBNI and RBSE assets.

The amounts with respect to RBNI assets, equivalent to BRL 2.9 billion, were received between 2013 and 2015. As for the RBSE assets, an independent appraisal report was requested for evaluating the investments at the New Replacement Value ("VNR"), adjusted for depreciation up to December 31, 2012. In December 2015, ANEEL ratified the value of the RBSE assets for ISA CTEEP at BRL 3.9 billion.

In April 2016, MME Ordinance 120 was published setting the ANEEL-approved amounts approved for RBSE installations. These became part of the Regulatory Remuneration Base for electric energy transmission concessionaires as from the 2017 tariff-setting process for an estimated 8-year period.

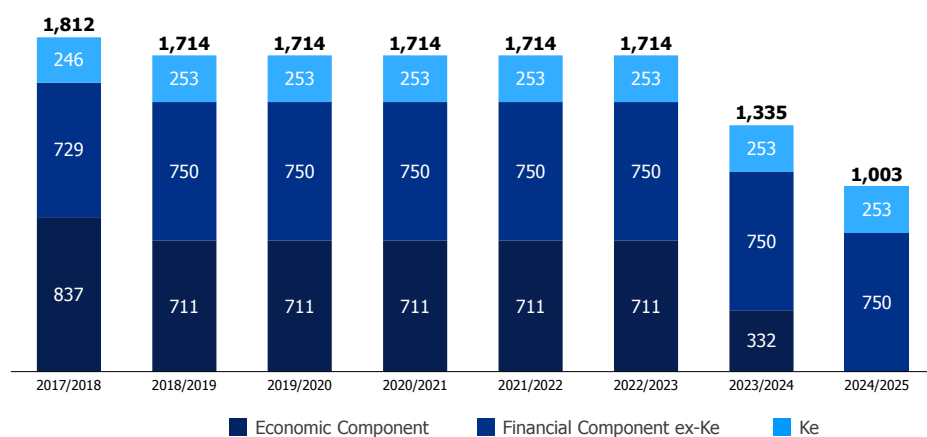
With the publication of ANEEL Ruling 1,484/17 of May 2017, the total RBSE amount due to ISA CTEEP was set at BRL 4.1 billion. The initial impact of the RBSE values was the book recognition according to IFRS principles in September



2016 under the conditions established by MME Ordinance 120. As for regulatory results, the impact on the Company's numbers is apparent as from the first payments received, in July 2017.

ANEEL Ruling 1,275/18 incorporates the acceptance of ISA CTEEP's appeal in 2017, in which the Company requested an adjustment for totally depreciated assets. For this reason, the Economic and Financial Components up to the 2022/2023 cycle have been increased.

The change mentioned was contemplated in the latest tariff readjustment, where RAP for the 2018/2019 cycle was also restated at the IPCA of 2.86%. In addition, linearization of the Economic Component was realized according to submodule 9.1 of the Proret (ANEEL's Tariff Regulation Procedure) such that these payments will be constant until the 2022/2023 cycle. The result of the calculation with the adjustments as disclosed by ANEEL can be seen in the values below, net of PIS/COFINS:



Assumptions according to ANEEL Normative Resolution 762/2017

IPCA (Dec/12-Jun/17): 34.45%

WACC: 6.64%

Cost of Capital (Ke): 10.74% (1H13) and 10.44% (from Jul/13 to Jun/17)

Estimated amounts. WACC will be decided on the occasion of the tariff review and the asset base is subject to write-offs.

For the 2023/2024 cycle, a total of BRL 332 million would remain to be received in connection with the Economic component. However, the same linearization could be applied as already realized.

Under an injunction that provisionally requires ANEEL to recalculate the RAP excluding the cost of capital (Ke) from the "remuneration" installment, the Company has since July/17 received about 85% of the RBSE amount. However, receipt of the Ke depends on a legal ruling and consequently there is no definition on how payment will take place of the installments of the remaining amounts which had not been received up to the 2018/2019 cycle.

From the legislative point of view, the initial bill presented for the privatization of Eletrobras (Bill 9,463/2018) proposed payment of the RBSE with two changes: replacement of the cost of capital (Ke) with WACC for the purposes of restating the financial component installment; and an increase in the stipulated payment period from 8 years to the remaining term of the concessions (about 25 years) for this same component.

In May 2018, within the scope of the same bill before Congress, a new report was published maintaining the term at 8 years for payment of the financial component in accordance with MME Ordinance 120/2016, as well as the replacement of the Ke by the WACC, and extending its application to all transmission companies.



Supplementary Retirement Plan – Law 4,819/58

The supplementary retirement plan is governed by State Law 4,819/58 and applies to employees hired prior to May 13, 1974, by autarchies and corporations in which the state of São Paulo was the holder of the majority of shares and had executive control.

The funds needed to meet the costs under this plan are the responsibility of the São Paulo State Government, and implementation took place in accordance with an agreement dated December 10, 1999, between the São Paulo State Revenue Bureau (SEFAZ) and the Company. The payment of supplementary retirement benefits took place by means of monthly payments from SEFAZ. The amount to be paid was transferred to ISA CTEEP and the Company then transferred the same amount to Fundação CESP, which was responsible for crediting the individual retirees.

From January 2004, retiree benefits began to be processed directly by SEFAZ. This change in process revealed mandatory constraints, such as those applicable to payments in excess of the ceiling (equivalent to the State Governor's salary). As a result, SEFAZ began to exclude any excessive amounts from benefits paid to retirees.

Class Action

In June 2005, following the court dismissal of a claim, the Funcesp Retirees Association ("AAFC") obtained a Labor Court injunction that ordered maintenance of the previous payment in full. The benefits payment process has since reverted to the original model, according to which Fundação CESP was responsible for retirement payments. SEFAZ continues to transfer the adjusted (reduced) amount to the Company and ISA CTEEP then makes up the difference, so that retirement payments are made in full as the injunction requires.

In 2017, the injunction was overturned and ISA CTEEP ceased to pay the difference between August and December, with a cash equivalent impact of about BRL 50 million. In December 2017, however, Supreme Court (STF) Justice Alexandre Moraes awarded a further injunction compelling the Company to resume complementary payments as before. The Company appealed the decision and awaits a ruling from the STF. SEFAZ and FUNCESP have also appealed, claiming a need to abide by the payments ceiling and apply a discount to benefits to avoid a loss to São Paulo State Government coffers.

Collection Lawsuit

Since 2005, SEFAZ has been transferring to the Company amounts lower than required to pay the retirees (~70%), due to an injunction handed down by the 49th Labor Court. ISA CTEEP has since been making up the difference to ensure the remaining amount for the full payment of the retiree benefits (~30%). The difference paid by ISA CTEEP is being claimed in a collection lawsuit filed against SEFAZ.

This collection lawsuit was judged in the Company's favor in the second instance. In August of 2017, SEFAZ filed a special appeal before the Federal Court of Appeals (STJ) that now awaits admissibility scrutiny. On December 31, 2018, the amount booked in the Company's balance sheet was of approximately BRL 2 billion, net of the provisions for losses on the 2013 realization of credits.

In August 2018, ISA CTEEP was granted by the São Paulo Court of Appeals a decision that requires the SEFAZ to refrain from applying any constraints to transfers concerning the payment of the benefits under Law No. 4,819/58 before completing an administrative proceeding to verify any irregularities in the payments. In March, the STJ ruled an injunction from Minister Francisco Falcão, which suspended the effects of the decision that required SEFAZ to refrain from applying constraints to its transfer to ISA CTEEP. In April the Company went back to receiving the payment from SEFAZ with constraints, therefore requiring it to go back to paying the difference.

The Company remains dedicated to maintaining the favorable decision granted by the São Paulo Court of Appeals.



ATTACHMENTS

Attachment I – Regulatory Balance Sheet

Assets (BRL thousand)	Consolidated	
	03/31/2019	12/31/2018
CURRENT		
Cash and Cash Equivalents	17,968	16,740
Financial Investments	1,087,284	680,909
Accounts receivable - Concessionaires and Permissionaire:	276,793	270,923
Inventory	18,709	20,365
Services in course	16,631	14,879
Recoverable taxes and contributions	84,201	29,521
Credit with controlled parties	4,276	323
Prepaid Expenses	34,841	8,384
Restricted cash	1,814	1,787
Others	43,681	48,818
	1,586,198	1,092,649
NON-CURRENT		
Long-Term Assets		
Restricted cash	44,888	42,268
Concession asset - Financial	10,666	10,575
Accounts Receivable from the State Finance Secretariat	1,426,613	1,426,083
Deferred income taxes and social contribution	76	0
Pledges and Escrow	64,874	66,987
Employee benefits - actuarial surplus	105,444	105,444
Derivative instruments	10,771	2,643
Others	1,467	1,476
	1,664,799	1,655,476
Investments	1,202,280	1,150,275
Imobilized	7,023,767	7,095,933
Intangible	278,554	295,698
	8,504,601	8,541,906
	10,169,400	10,197,382
Total Assets	11,755,598	11,290,031



Liabilities and Shareholders' Equity (BRL thousand)	Consolidated	
	03/31/2019	12/31/2018
CURRENT		
Loans and Financing	344,159	334,067
Debentures	22,436	23,707
Suppliers	72,276	88,358
Taxes and social charges to be collected	163,232	54,382
Regulatory charges to be collected	39,302	40,262
Interest on Shareholders' Equity / Dividends to pay	7,831	7,835
Provisions	29,156	37,047
Amounts Payable - Funcesp	5,103	4,250
Special obligations - Reversal/Amortization	2,480	2,480
Others	27,472	34,310
	713,447	626,698
NON-CURRENT		
Long-Term Liabilities		
Loans and Financing	1,273,554	1,215,689
Debentures	1,457,692	1,441,504
Deferred income taxes and social contribution	757,847	735,689
Regulatory charges to be collected	39,380	35,925
Provisions	91,036	90,708
Global Reversal Reserve - RGR	18,473	19,093
Obligations connected to concession service	329,630	332,930
Others	33,602	33,078
	4,001,214	3,904,616
SHAREHOLDER'S EQUITY		
Share Capital	3,590,020	3,590,020
Capital Reserves	666	666
Income Reserves	760,451	760,451
Revaluation reserve	2,047,987	2,103,510
Other Comprehensive Results	73,389	73,192
Accumulated Profits and Losses	285,711	0
	6,758,224	6,527,839
Non-controlling shareholders' share of investment funds	282,713	230,878
	7,040,937	6,758,717
Total Liabilities and Shareholders' Equity	11,755,598	11,290,031



Attachment II – Regulatory Income Statement

Result (BRL thousand)	Consolidated		
	1Q19	1Q18	Chg (%)
Gross Revenue	806,853	834,640	(3.3%)
Availability of Electric Network	799,831	827,908	(3.4%)
Others	7,022	6,732	4.3%
Deductions from the Operational Revenue	(112,689)	(102,316)	10.1%
Net Revenue	694,164	732,324	(5.2%)
Costs and Operational Expenses	(275,211)	(259,669)	6.0%
Personnel	(83,116)	(77,724)	6.9%
Material	(3,151)	(3,016)	4.5%
Services	(26,995)	(27,374)	(1.4%)
Depreciation	(144,967)	(145,819)	(0.6%)
Others	(16,982)	(5,736)	196.1%
Result of Service	418,953	472,655	(11.4%)
Financial Results	(54,493)	(35,293)	54.4%
Income from Financial Investments	14,183	10,886	30.3%
Result of Liquid Monetary Variation	(15,154)	(9,620)	57.5%
Interest costs	(205)	(580)	(64.7%)
Interest/Charges on loans	(36,444)	(31,704)	15.0%
Others	(16,873)	(4,275)	294.7%
Operational Result	364,460	437,362	(16.7%)
Equity Income	16,244	19,347	(16.0%)
Other Operational Revenues/Expenses	(9,562)	4,747	(301.4%)
Results before Taxes	371,142	461,456	(19.6%)
Income Tax and Social Contribution on Income	(137,075)	(156,193)	(12.2%)
Current	(114,844)	(176,614)	(35.0%)
Deferred	(22,231)	20,421	(208.9%)
Consolidated Income/Losses of the Period Before the Participation of the Non Controlling Shareholder	234,067	305,263	(23.3%)
Participation of Non Controlling Shareholder	(3,879)	(3,460)	100.0%
Net Income	230,188	301,803	(23.7%)



Attachment III – Indirect Cash Flow – Regulatory

Cash Flow of operational activities	Consolidated	
	03/31/2019	12/31/2018
Cash generated by operational activities	458,528	454,808
Net Income	234,067	305,263
Depreciation and amortization	144,941	145,819
Deferred income taxes and social contribution	22,232	(20,421)
Provision for Lawsuit Liabilities	(378)	459
Residual cost of written-off fixed/intangible assets	10,351	1,034
Tax benefit - incorporated goodwill	9	9
Realization of concession assets in the acquisition of subsidiary	597	597
Realization of the loss in jointly controlled	(504)	(535)
Equity income	(16,244)	(19,347)
Interest and inflation and FX adjustments to assets and liabilities	63,457	41,930
Assets Variation	(82,397)	(239,832)
Restricted cash	(2,647)	(6,052)
Accounts receivable - Infrastructure Investment	(5,962)	(14,903)
Inventories	1,656	1,746
Accounts Receivable from the State Revenue Bureau	(530)	(50,328)
Recoverable taxes and contributions	(54,680)	(118,573)
Prepaid Expenses	(26,457)	(36,320)
Pledges and Escrow	2,858	462
Services in course	(1,752)	(2,834)
Credit with subsidiaries	(3,953)	412
Others	9,070	(13,442)
Liabilities Variation	78,735	44,888
Suppliers	(16,082)	(20,670)
Taxes and social charges payable	108,887	134,052
Labor obligations	(7,891)	(6,630)
Tax installments	0	(58,146)
Regulatory charges payable	1,759	1,797
Provisions	(1,884)	(513)
Amounts Payable - Funcesp	853	1,253
Global Reversal Reserve - RGR	(620)	(620)
Others	(6,287)	(5,635)
Net cash from operating activities	454,866	259,864
Investments Activites Cash Flow	(463,730)	(198,986)
Financial Investments	(354,571)	(119,820)
Fixed Assets	(69,453)	(64,966)
Investments	(44,500)	(14,200)
Dividends received	4,794	0
Cash used in financing activities	10,092	(55,714)
New loans	80,000	697
Loan payments (principal)	(22,209)	(26,442)
Loan payments (interest)	(38,238)	(26,508)
Transactions with non-controlling shareholders	(3,879)	(3,460)
Derivative instruments	(5,582)	0
Dividends and interest on shareholders' equity paid	0	(1)
Net variation in Cash and Cash Equivalents	1,228	5,164
Opening Balance of Cash and Cash Equivalents	16,740	6,585
Closing Balance of Cash and Cash Equivalents	17,968	11,749
Cash and Cash Equivalents Variation	1,228	5,164



Attachment IV – Regulatory Income Statement for Subsidiaries IE Madeira and IE Garanhuns

IE MADEIRA			
Results (BRL million)	1Q19	1Q18	Chg (%)
Gross Operational Revenue	126.1	145.3	(13.2%)
Operational Revenue Deductions	(16.6)	(18.8)	(11.3%)
Net Operational Revenue	109.4	126.6	(13.5%)
Costs and Expenses	(9.0)	(9.4)	(3.5%)
Depreciation	(33.9)	(34.1)	(0.7%)
Gross Profit	66.5	83.1	(20.0%)
Financial Result	(41.4)	(45.4)	(8.8%)
Other Revenues and Expenses	(0.0)	0.0	-
Income before IR & CSLL	25.1	37.7	(33.5%)
IR & CSLL*	(0.3)	(5.3)	(94.2%)
Net Income	24.7	32.3	(23.5%)
CTEEP Participation (51%)	12.6	16.5	(23.5%)

(*) Holds enterprises regarding infrastructure of transmission lines and substations of electric energy, in operation in the SUDAM areas, whose benefits were conceded in the months of December of 2014 and 2015, respectively. The deadline to take advantage of the fiscal benefit is 10 years with a reduction of 75% of taxes over income and additional.

IE GARANHUNS			
Results (BRL million)	1Q19	1Q18	Chg (%)
Gross Operational Revenue	25.6	23.5	8.5%
Operational Revenue Deductions	(3.2)	(2.7)	18.3%
Net Operational Revenue	22.3	20.8	7.3%
Costs and Expenses	(4.0)	(3.3)	20.9%
Depreciation	(6.2)	(6.2)	0.4%
Gross Profit	12.1	11.3	7.0%
Financial Result	(4.0)	(4.2)	(4.9%)
Other Revenues and Expenses	0.0	0.0	-
Income before IR & CSLL	8.2	7.2	14.0%
IR & CSLL*	(0.3)	(1.9)	(82.0%)
Net Income	7.8	5.3	47.9%
CTEEP Participation (51%)	4.0	2.7	47.9%

(*) Holds enterprises regarding infrastructure of transmission lines and substations of electric energy, in operation in the SUDAM areas, whose benefits were conceded in the months of December of 2014 and 2015, respectively. The deadline to take advantage of the fiscal benefit is 10 years with a reduction of 75% of taxes over income and additional.


Attachment V – Breakdown of Consolidated Debt (BRL thousands)

Funding	Charges	Maturity	03/31/2019	12/31/2018
BNDES	TJLP + 1.80% per year	03/15/29	192.5	196.7
	3.50% per year	01/15/24	49.3	51.8
	TJLP	03/15/29	1.6	0.0
	TJLP + 2.62% per year	03/15/32	228.0	151.0
	6.0% per year	11/15/19	1.5	2.1
CTEEP - Debentures				
4 th Issuance - Single serie	IPCA + 6.04%	07/15/21	166.4	162.3
5 th Issuance - Single serie	IPCA + 5.04%	02/15/24	316.1	325.0
6 th Issuance - Single serie	105.65% of CDI per year	12/13/20	356.0	350.3
7 th Issuance - Single serie	IPCA + 4.70%	04/15/25	641.6	627.5
CTEEP - Others				
Law 4,131 - MUFG	VC + 3.34% per year + IR	07/20/20	296.8	293.9
Law 4,131 - Citibank	VC + Libor 3M + 0.47% per year + IR	08/24/20	294.0	292.0
Law 4,131 - Citibank	VC + Libor 3M + 0.25% per year + IR	11/08/19	235.6	233.1
Elektrobras	8.0% per year	11/15/21	0.1	0.1
Leasing	8.86% per month	12/31/20	11.5	0.5
Leasing			9.5	0.0
CTEEP Total Gross Debt			2,800.4	2,686.5
Funding	Charges	Maturity	03/31/2019	12/31/2018
PINHEIROS	TJLP + 2.06% per year	02/15/28	4.9	5.0
	3.5% per year	04/15/23	7.4	7.8
	TJLP + 2.62% per year	05/15/26	26.2	27.0
	5.5% per year	01/15/21	18.4	20.9
SERRA DO JAPI	TJLP + 1.95% per year	05/15/26	27.6	28.5
	TJLP + 1.55% per year	05/15/26	23.9	24.7
IEMG	TJLP + 2.39% per year	04/15/23	21.6	22.8
IE SUL	5.5% per year	01/15/21	2.1	2.3
	TJLP + 2.58% per year	05/15/25	4.7	4.9
	3.0% per year	04/15/23	4.9	5.2
	TJLP + 2.58% per year	02/15/28	7.4	7.6
IENNE	10.0% per year	05/19/30	169.0	171.7
Subsidiaries Total Gross Debt			318.0	328.5
Consolidated Total Gross Debt (R\$ thousand)			3,118.4	3,015.0



BNDES (annual verification)		Infrastructure Debentures (4th and 5th issuance)		Simple Debentures (quarterly verification)		International Credit - Law 4,131 (quarterly verification)	
Net Debt 03/31/2019	3,106	Net Debt 03/31/2019	1,993	Net Debt 03/31/2019	1,993	Net Debt 03/31/2019	1,993
Adjusted EBITDA last 12 months	2,412	Adjusted EBITDA last 12 months	2,188	Adjusted EBITDA last 12 months	2,504	Adjusted EBITDA last 12 months	2,188
Net Debt/Adjusted EBITDA 03/31/2019	1.29	Net Debt/Adjusted EBITDA 03/31/2019	0.91	Net Debt/Adjusted EBITDA 03/31/2019	0.80	Net Debt/Adjusted EBITDA 03/31/2019	0.91
Shareholders' Equity 03/31/2019	11,562	Financial Result 03/31/2019	162	Financial Result 03/31/2019	140	Financial Result 03/31/2019	162
Net Debt/Net Debt + Shareholders' Equity 03/31/2019	0.21	Adjusted EBITDA/Financial Result 03/31/2019	13.52	Adjusted EBITDA/Financial Result 03/31/2019	17.87	Adjusted EBITDA/Financial Result 03/31/2019	13.52

The main **covenants** by which ISA CTEEP must abide are as follows:

Financing contracts with **BNDES** (valid until the contract's term in 2029) must abide by maximum financial indicators of: Net Debt/BNDES Adjusted EBITDA ≤ 3.0 and Net Debt/(Net Debt + Equity Capital) ≤ 0.6 , verified at the end of each fiscal year. For the purposes of calculating and substantiating the foregoing indices, the Company must consolidate all controlled and jointly controlled subsidiaries (pro-rated according to its stake) should its stake be 10% or higher.

The **4th Debentures issue** must comply with the periodicity of quarterly verification, the financial indicators in the deed being: Net Debt/Adjusted EBITDA < 3.5 and Adjusted EBITDA/Financial Income > 1.5 until baseline date of June 30, 2017; from baseline date of September 30, 2017, the indicator is > 2.00 .

The **5th Debentures issue** must comply with the periodicity of quarterly verification, the financial indicators in the deed being: Net Debt/Adjusted EBITDA < 3.5 and Adjusted EBITDA/Financial Income > 1.5 until the baseline date of June 30, 2017; from the baseline date of September 30, 2017, the indicator is > 2.00 .

The **6th Debentures issue** must comply with the periodicity of quarterly verification, the financial indicators in the deed set as follows: Net Debt/Adjusted EBITDA < 3.5 and Adjusted EBITDA/Financial Income > 2.0 .

The **Credit Agreements (4131)** require the following maximum financial indicators for the full loan term based on quarterly periodicity for verification: Net Debt/Adjusted EBITDA < 3.5 Adjusted EBITDA/Net Interest Expense ≥ 2.0 .


Attachment VI – Breakdown of Jointly Held Subsidiaries’ Debt (BRL thousands)

Company	Bank	Charges	Final Maturity	Amount guaranteed by ISA CTEEP	Total Amount Owed 09/30/18
IE MADEIRA 51% ISA CTEEP	ITAÚ BBA	IPCA + 5.5% per year	03/18/2025	224.5	440.2
	BNDES	TJLP + 2.42% per year	02/15/2030	562.3	1,102.5
	BNDES	TJLP	02/15/2030	1.2	2.3
	BNDES	2.5% per year	10/15/2022	57.4	112.6
	BASA	8.5% per year	10/10/2032	152.2	298.4
Gross Debt				997.6	1,956.1
Availability				92.9	182.2
Net Debt				904.7	1,774.0
IE GARANHUNS 51% ISA CTEEP	BNDES	TJLP + 2.05% per year	12/15/2028	89.6	175.6
	BNDES	3.50% per year	08/15/2023	34.3	67.3
	BNDES	TJLP	12/15/2028	0.7	1.3
Gross Debt				124.6	244.3
Availability				19.1	37.5
Net Debt				105.5	206.8
TOTAL Gross Debt				1,122.2	2,200.4
TOTAL Net Debt				1,010.2	1,980.7



Attachment VII – Balance Sheet – IFRS

Assets (BRL thousand)	Consolidated	
	03/31/2019	12/31/2018
CURRENT		
Cash and cash equivalents	17,968	16,740
Financial applications	1,087,284	680,909
Concession Asset	1,956,862	2,086,298
Inventories	37,516	39,173
Taxes and contributions to compensate	84,201	29,521
Credit with related parties	4,276	323
Prepaid expenses	34,841	8,384
Restricted Cash	1,814	1,787
Others	31,529	36,509
	3,256,291	2,899,644
NON-CURRENT		
Long-term Receivables		
Restricted Cash	44,888	42,268
Concession Asset	12,222,686	12,047,558
Accounts Receivable from the State Revenue Bureau	1,426,613	1,426,083
Deferred income tax and social contribution	7,665	9,037
Pledges and Escrow	64,874	66,987
Inventories	11,798	13,551
Employee benefits - actuarial surplus	105,444	105,444
Derivative instruments	10,771	2,643
Others	26,954	25,236
	13,921,693	13,738,807
Investments	1,917,881	1,848,092
Imobilized	45,400	25,539
Intangible	28,136	30,142
	1,991,417	1,903,773
	15,913,110	15,642,580
Total Assets	19,169,401	18,542,224



Liabilities and Shareholders' Equity (BRL thousand)	Consolidated	
	03/31/2019	12/31/2018
CURRENT		
Loans and financing	344,159	334,067
Debentures	22,436	23,707
Leases	10,565	0
Suppliers	72,276	88,358
Taxes and social charges payable	163,259	54,382
Regulatory Charges payable	39,302	40,262
Interest on Shareholders' Equity / Dividends payable	7,831	7,835
Labor liabilities	29,156	37,047
Amounts Payable - Fundação CESP	5,103	4,250
Special obligations - Reversal/Amortization	2,480	2,480
Others	27,472	34,310
	724,039	626,698
NON-CURRENT		
Long-term Liabilities		
Loans and financing	1,273,554	1,215,689
Debentures	1,457,692	1,441,504
Leases	9,984	0
Deferred PIS and COFINS	1,177,627	1,176,566
Deferred Income Tax and Social Contribution	2,638,945	2,603,438
Regulatory Charges payable	39,380	35,925
Provisions	91,036	90,708
Global Reversal Reserve - RGR	18,473	19,093
Others	33,602	33,078
Total long-term liabilities	6,740,293	6,616,001
NET EQUITY		
Shareholders' Equity	3,590,020	3,590,020
Capital Reserves	666	666
Profit Reserves	7,404,769	7,404,769
Other comprehensive results	73,389	73,192
Accumulated profits/losses	353,512	0
	11,422,356	11,068,647
Non-controlling shareholders' share of investment funds	282,713	230,878
	11,705,069	11,299,525
Total Liabilities and Shareholders' Equity	19,169,401	18,542,224



Attachment VIII – Income Statement – IFRS

Income Statement (BRL thousand)	Consolidated		
	1Q19	1Q18	Chg (%)
Gross Operating Revenue	846,080	599,282	41.2%
Infrastructure Revenue	72,374	80,136	(9.7%)
Gross O&M Revenue	282,515	235,019	20.2%
Remuneration of concession assets	484,169	277,395	74.5%
Other Revenues	7,022	6,732	4.3%
Deductions from Operating Revenue	(113,784)	(77,872)	46.1%
Net Operating Revenue	732,296	521,410	40.4%
Operating Costs and Expenses	(202,375)	(190,804)	6.1%
Personnel	(86,137)	(81,033)	6.3%
Materials	(47,151)	(60,873)	(22.5%)
Services	(48,025)	(37,990)	26.4%
Depreciation	(5,242)	(2,235)	134.5%
Others	(15,820)	(8,673)	82.4%
Service Income	529,921	330,606	60.3%
Financial Income	(54,876)	(35,293)	55.5%
Income from Financial Investments	14,183	10,886	30.3%
Net Monetary Restatement Income	(15,154)	(9,620)	57.5%
Interest received/paid	(205)	(580)	(64.7%)
Interest/Charges on loans	(36,827)	(31,704)	16.2%
Others	(16,873)	(4,275)	294.7%
Operating Income	475,045	295,313	60.9%
Equity Income	34,028	22,447	51.6%
Other Operating Revenues/Expenses	191	4,722	(96.0%)
Earnings Before Taxes	509,264	322,482	57.9%
Income tax and Social Contribution on Earnings	(151,873)	(96,138)	58.0%
Current	(114,844)	(176,614)	(35.0%)
Deferred	(37,029)	80,476	(146.0%)
EBITDA ICVM No. 527/12	570,014	360,642	58.1%
Consolidated Period Profit/Loss before Non-Controlling Shareholder's Stake	357,391	226,344	57.9%
Non-Controlling Shareholder's Stake	(3,879)	(3,460)	12.1%
Consolidated Profit/Loss for the Period	353,512	222,884	58.6%



Attachment IX – Cash Flow - IFRS (BRL thousand)

Cash Flow from Operations	Consolidated	
	03/31/2019	12/31/2018
Cash from operational activities	431,231	142,567
Net Earnings	357,391	226,344
Deferred PIS and COFINS	1,061	(25,676)
Depreciation and amortization	5,242	2,235
Deferred income and social contribution taxes	37,029	(80,476)
Provision for Lawsuit Liabilities	(378)	459
Residual Cost of retired fixed/intangible assets	1,019	103
Tax Benefit - Embedded Premium	9	9
Realization of concession assets in the acquisition of subsidiary	622	621
Realized loss from jointly controlled company	(504)	(535)
Equity income	(34,028)	(22,447)
Interest and monetary and exchange variations on assets and liabilities	63,768	41,930
Asset Variations	(119,978)	9,358
Restricted cash	(2,647)	(6,052)
Concession asset	(45,186)	220,461
Inventories	3,410	13,348
Accounts Receivable from the State Finance Secretariat	(530)	(50,328)
Recoverable taxes and contributions	(54,680)	(118,573)
Prepaid expenses	(26,457)	(36,320)
Pledges and Escrows	2,858	462
Credit with subsidiaries	(3,953)	412
Others	7,207	(14,052)
Liabilities Variations	78,735	44,888
Suppliers	(16,082)	(20,670)
Taxes and contributions to be collected	108,887	134,052
Estimated liabilities	(7,891)	(6,630)
Tax installments	0	(58,146)
Regulatory charges to be collected	1,759	1,797
Provisions	(1,884)	(513)
Amounts Payable - Funesp	853	1,253
Global Reversal Reserve - RGR	(620)	(620)
Others	(6,287)	(5,635)
Net Cash from Operating Activities	389,988	196,813
Investments Activities Cash Flow	(395,928)	(135,935)
Financial applications	(354,571)	(119,820)
Imobilized	(982)	(1,878)
Intangible	(669)	(37)
Investments	(44,500)	(14,200)
Received dividends	4,794	0
Cash used in financing activities	7,168	(55,714)
Addition to loans and debentures	80,000	697
Loan payments (principal)	(25,133)	(26,442)
Loan payments (interest)	(38,238)	(26,508)
Transactions with non-controlling shareholders	(3,879)	(3,460)
Derivative instruments	(5,582)	0
Paid dividends and interest on equity	0	(1)
Net variation in Cash and Cash Equivalents	1,228	5,164
Opening Balance of Cash and Cash Equivalents	16,740	6,585
Closing Balance of Cash and Cash Equivalents	17,968	11,749
Cash and cash equivalents at year end	1,228	5,164